

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Local Assistance - GTB	\$3,851,458	\$3,862,696
<u>Funding:</u>		
General Fund (01)	\$3,851,458	\$3,862,696
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$3,851,458)	(\$3,862,696)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

If SB 188 were approved, property taxes to support BASE budgets will be approximately \$5.34 million higher in FY 2002 and \$5.33 million higher in FY 2003. To keep the same level general fund budgets, districts would need to increase taxes the difference between the \$10.50 million decrease in fund balance reappropriated and the additional state general fund or approximately \$6.65 million in FY 2002 and \$6.34 million in FY 2003.

TECHNICAL NOTES:

1. The proposed use of the funds, once transferred to the Miscellaneous Programs Fund, is not within the authorized purposes for that fund, as stated in 20-9-507.
2. The bill gives districts the ability to increase expenditures for instruction-related costs outside the general fund budget caps. Higher spending disparities between districts could raise equalization issues.